

Family Investment Program



Purpose

Iowa's Family Investment Program (FIP) is a cash assistance program to support low-income families with children and to provide services for them to become self-sufficient.

Who Is Helped

The Family Investment Program helps people with minor children. Families must:

- Meet income and asset requirements.
- Be residents of Iowa.
- Be citizens or legally qualified non-citizens (such as refugees).
- Participate in work, training, or educational services to become self-sufficient.

72 percent of FIP households are one-parent families, while 5 percent include both parents.

23 percent of FIP households provide care to children of relatives. Some of these children are in the child welfare system. Others came to live with relatives as the result of voluntary arrangements with their parents.

The average FIP family is headed by a single Caucasian woman between 20 and 29 years old with a high school or GED education. The typical family has two children under the age of 6.

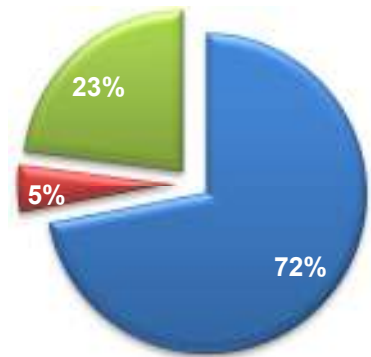
Benefits are limited to a five-year lifetime limit with exceptions in hardship cases.

The average family receives FIP for 23 months.

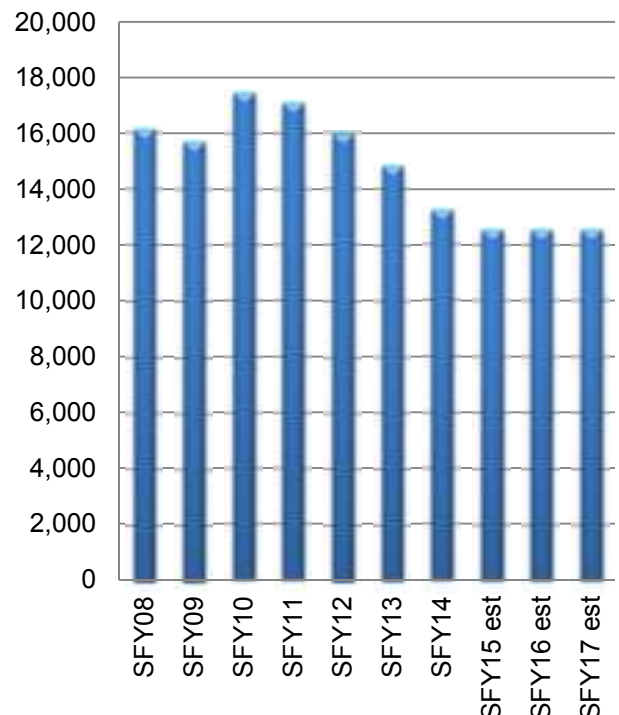
The FIP caseload is currently at a new modern-day low not seen since the late 1960's, when the program was known as Aid to Families with Dependent Children (AFDC).

FIP Family Makeup SFY14

■ One-Parent (72%) ■ Two-Parent (5%) ■ Relative (23%)



FIP Average Monthly Cases



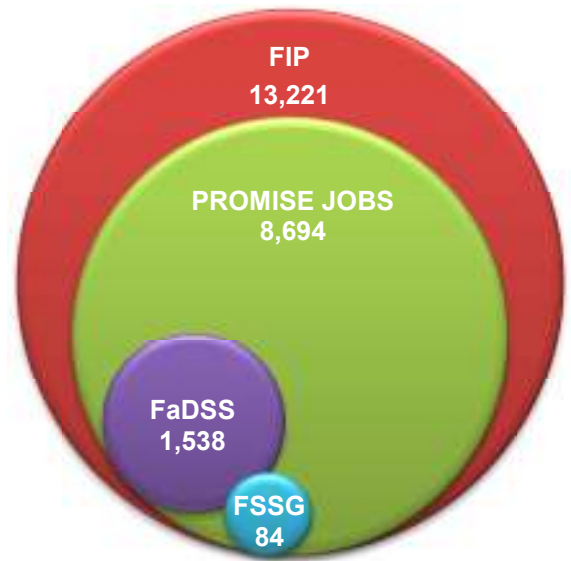
- ✓ A parent and two children must have income after deductions below \$426/month, or \$5,112 annually, to qualify.
- ✓ In June 2014, over 90 percent of individuals receiving FIP also received Food Assistance and 96 percent received Medicaid.
- ✓ About 253 families currently have a hardship exemption from the five-year limit. Hardship determinations are revisited every six months.
- ✓ Every month, about 56 recipients are canceled because of the five-year lifetime limit.

Services

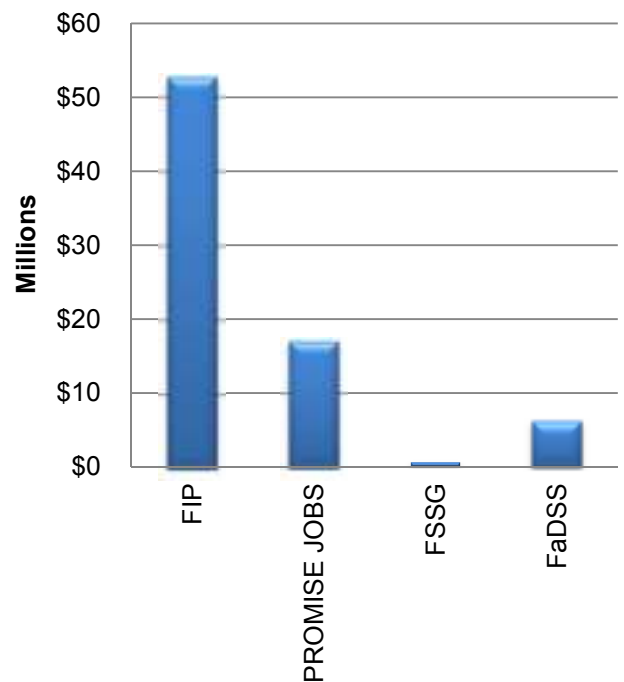
The FIP appropriation funds the following:

- Cash benefits. FIP cash benefits are provided on a monthly basis. Eligibility determination is made by DHS Field Operations staff. DHS staff also make referrals for the PROMISE JOBS program.
 - An average of 13,221 families a month received FIP in SFY14.
- PROMISE JOBS Program. The acronym stands for Promoting Independence and Self-Sufficiency through Employment, Job Opportunities, and Basic Skills.
 - DHS contracts with Iowa Workforce Development (IWD) to provide PROMISE JOBS services.
 - This program provides training, education, and employment services. In addition, the program pays allowances for specified costs, such as transportation, related to participating in program activities.
 - The DHS Bureau of Refugee Services provides PROMISE JOBS services to FIP recipients with refugee status.
 - An average of 8,694 FIP families a month received PROMISE JOBS in SFY14.
- Family Self-Sufficiency Grant (FSSG) Program.
 - DHS contracts with IWD to administer this grant program.
 - This grant program provides up to \$1,000 per family per year to pay for work related goods and services (e.g. car repair, clothing, and employment related certification requirements).
 - An average of 84 FIP families a month received this grant in SFY14.
- Family Development and Self-Sufficiency (FaDSS) Program.
 - The Department of Human Rights administers this program.
 - FaDSS provides intensive home-based case management services to PROMISE JOBS families who have barriers keeping them from achieving self-sufficiency.
 - An average of 1,538 FIP families a month received this service in SFY14.

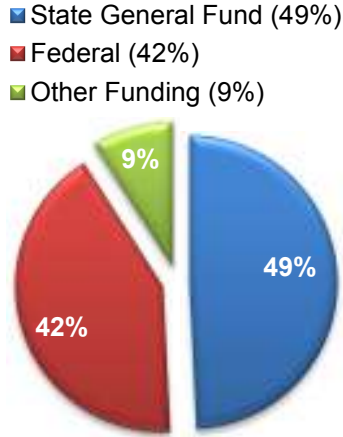
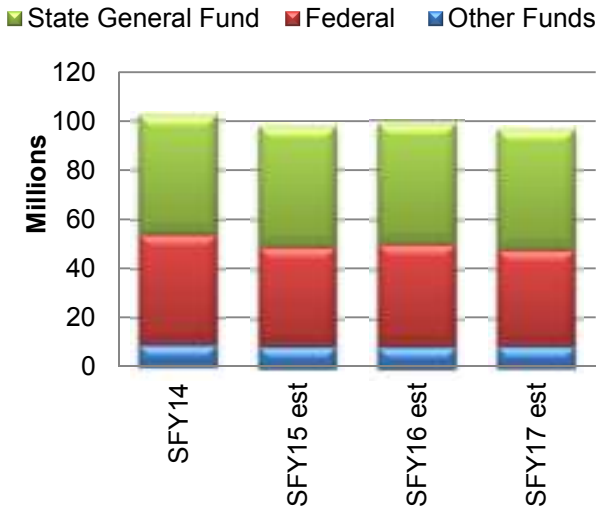
Monthly Average Types of Services SFY14



Expenditures SFY14



	<ul style="list-style-type: none"> ✓ <u>Before</u> receiving a FIP grant, PROMISE JOBS participants must sign a self-sufficiency agreement identifying what they will do to become self-sufficient. ✓ FIP recipients receive their monthly cash benefits via an Electronic Access Card (EAC) that can be used anywhere a VISA debit card is accepted. Effective February 1, 2014, the department implemented policy to comply with federal legislation that prohibits participants from using their electronic access card (EAC) at liquor stores, casinos, and adult entertainment venues in which performers disrobe or perform in an unclothed state. 	
Goals & Strategies	<p>Goal: Help families become self-sufficient.</p> <p>Strategies:</p> <ul style="list-style-type: none"> • Provide an array of employment related supports. • Coordinate with IWD to improve work participation rates. <p>Goal: Become more efficient in processing and evaluating applications.</p> <p>Strategy: Install a new eligibility computer system.</p>	<p>Results:</p> <ul style="list-style-type: none"> • In SFY14, 76.7 percent of people who left FIP stayed off the benefit program for at least a year. • Iowa's actual work rate for the first half of FFY14 exceeds the federal requirement by approximately 17.6 percentage points. • The DHS has selected a vendor to install a new eligibility system called the ELigibility Integrated Application Solution (ELIAS). The system will also generate Food Assistance and Medicaid eligibility and benefit calculations. <ul style="list-style-type: none"> ○ The current system is outdated and requires significant duplicate entries and work-arounds. ○ ELIAS will utilize current technology architecture to enable more accurate and timely eligibility determinations; a more effective way to identify potential fraud and abuse; and an opportunity to link with online service applications. ○ In October 2013, the new system was implemented for a portion of the Medical Assistance programs. Work continues to add the remainder of the Medical Assistance programs, FIP, and Food Assistance to the new system.
Cost of Services	<ul style="list-style-type: none"> • The average annual benefit per FIP recipient is \$1,568. • The average annual cost of service per-person in the PROMISE JOBS program is \$1,874. • The average FSSG grant per family is \$492. <p>✓ <i>The maximum annual FIP amount paid to a family of three is less than 26 percent of the federal poverty level.</i></p>	

Funding Sources	<p>The Family Investment Program is funded by state general funds, federal funds, including TANF, and other funding (child support recovery that is used to offset public assistance).</p> <p>The SFY16 total FIP budget is \$98,912,077:</p> <ul style="list-style-type: none"> \$48,693,875 (49 percent) is state general funds. \$41,318,733 (42 percent) is federal funds. \$ 8,899,469 (9 percent) is other. <p>The SFY17 total FIP budget is \$96,557,982.</p>	<p>SFY16 Funding</p>  <p>■ State General Fund (49%) ■ Federal (42%) ■ Other Funding (9%)</p>
SFY16 & SFY17 Budget Drivers	<p>The total SFY16 FIP budget request reflects a status quo (0.0 percent change) general fund request from the SFY15 Enacted Appropriation.</p> <p>The total SFY17 FIP budget request reflects a status quo (0.0 percent change) general fund request from the SFY15 Enacted Appropriation, the same as the SFY16 budget request.</p> <p>The FIP budget is aided by recoveries from non-custodial parents in child support cases.</p> <ul style="list-style-type: none"> FIP caseloads and costs are decreasing to caseloads below 1970 levels and are expected to become relatively stable in SFY15 and remain stable for SFY16 & SFY17. 	<p>Total Budget Funding Mix</p>  <p>■ State General Fund ■ Federal ■ Other Funds</p>
Legal Basis	<p>✓ <i>Temporary Assistance for Needy Families (TANF) is a block grant, which means Iowa gets the same amount of funding each year.</i></p> <p>✓ <i>PROMISE JOBS participation helps Iowa meet federal TANF work participation rates.</i></p> <p>✓ <i>Failure to meet TANF work participation rates can reduce federal funding.</i></p> <p>Federal:</p> <ul style="list-style-type: none"> Title IV-A of the Social Security Act Code of Federal Regulations 45 CFR 260 – 265 <p>State:</p> <ul style="list-style-type: none"> Iowa Code, Chapter 239B Iowa Administrative Code, 441 IAC 40, 41, 42, 45, 46, and 93 	